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September 15, 2005 2005 SEP 16 AM 10:10

SC PUBLIC SERVICE
COMMISSION

Charles L. A. Terreni, Esquire
Chief Clerk/Administrator
The Public Service Commission of South Carolina
P. O. Drawer 11649
Columbia, South Carolina 29211

RE: SCPSC Docket No. 2005-120-E

Dear Mr. Terreni:

By Order No. 2005-268 issued in Docket No. 2005-120-E, the Commission granted Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc. permission to sell 10.81 acres and the associated buildings located near Wilmington, NC for \$3.5 million. Prior to filing its application for approval PEC had marketed the property for 45 days and had received four bids ranging from \$2 million to \$3.5 million. PEC accepted the highest offer. The property had appraised for \$2.16 to \$2.7 million.

The purpose of this letter is to advise the Commission that the contract for sale of the property for \$3.5 million could not be consummated. Thus, PEC has now entered into a new contract with the second highest bidder at a sales price of \$3,125,000. PEC believes this is the highest price obtainable for this property and that re-marketing the property will not produce any higher offers.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Len S. Anthony'.

Len S. Anthony
Deputy General Counsel-Regulatory Affairs

LSA:mhm

cc: Mr. John Flitter

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